



Top Testing and Targeting Tips for 2013



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Think targeting ticks customers off? Actually, it's quite the opposite. Studies show that 41% of consumers would consider ending a brand relationship because of irrelevant messaging.¹ That's why targeted and personalized content is more important now than ever before.

While obvious targeting and granular personalization can annoy customers, well-crafted targeted content has proven time and time again to boost brand loyalty and drive increased conversion. To help you create the kind of sophisticated targeting and personalization programs that get results, we've asked our industry-leading clients to share their secrets. The result?—32 insightful tips to help you stay ahead of the competition, so you can make 2013 your most successful and profitable year ever.

Targeting tips

Tip #1: Test pages that have significant traffic, especially among key target segments.

Many marketers launch testing programs for segmentation and targeting without checking whether the traffic levels and the segments represented will provide significant results within the testing timeframe for their optimization and conversion goals. To avoid this common mistake, answer these questions in advance.

- How many daily unique visitors does the page have?
- What is the conversion rate for the page?
- How long do you anticipate needing to run the test before you can confidently call it complete?

Tip #2: Only include pages in your tests or targeted campaigns that connect directly to the conversion event you're trying to improve.

If you work on an e-commerce website and your main conversion event is an online purchase, it's essential to choose a page to test that is either part of the purchase funnel or commonly visited as part of consumers' research and purchase path. Similarly, if the main conversion goal of your site is to generate leads, make sure that you're testing pages that link directly to lead-generation forms. And don't forget that you can also track important key performance indicators (KPIs) or touchpoints in a customer's path to identify the test's impact on the entire conversion funnel.

Tip #3: Choose noticeable page elements to test based on the segments you want to target.

Even though subtle changes to your site can make a big difference, ensure that the element you want to test is visible above the fold when the page is rendered on a visitor's browser, whatever the screen size. If the page has many elements, the element you are testing must be sufficiently large or prominently placed so that a change to it is noticeable to your website visitors. If the element isn't noticeable, your test might not return the measurable data needed to drive action.

Tip #4: Uncover segment preferences by making the alternate content different from the control content.

Always strive to produce alternate content for testing that is truly different from the default content. When organizations are too beholden to the corporate status quo or too afraid to step outside of strict branding boundaries, they can end up creating alternate test content that's only slightly different from the original. If variations are too subtle, they are less likely to draw a reaction from site visitors. For example, rather than just testing alternate messaging in a call-to-action button, you might also try more prominent positioning or changing the color. The element contribution report of a multivariate test can also provide valuable insight into an individual element's influence on conversion, such as color or positioning, to assist in guiding your optimization focus and strategy.

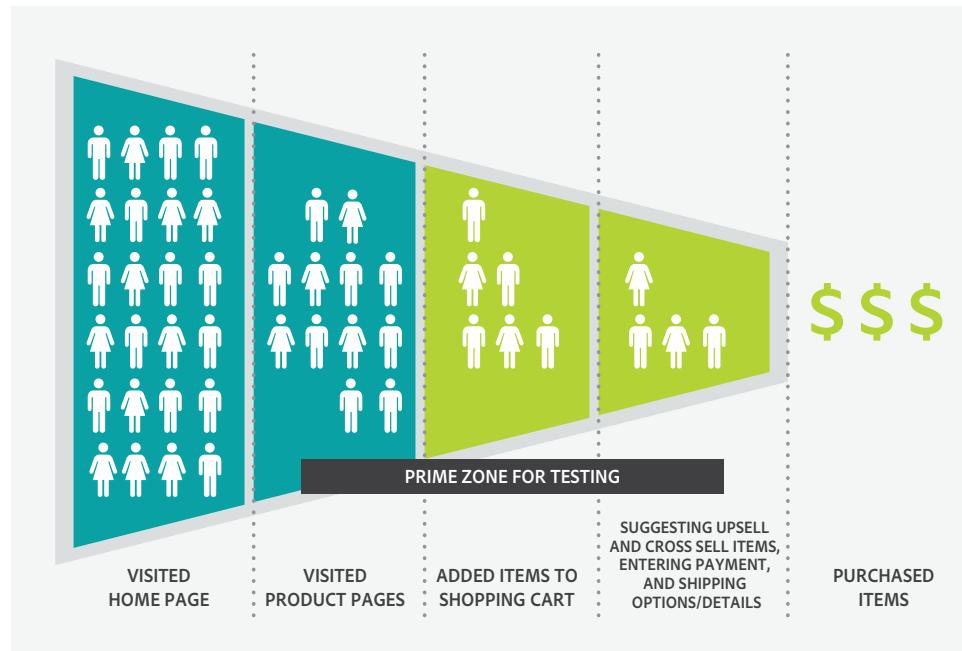
¹ Precision Marketing: Maximizing revenue through relevance, Sandra Zoratti and Lee Gallagher

Tip #5: Ensure that the business is prepared to push the winning recipe.

Successful testing organizations believe in the concept of testing and understand that their own professional opinions about what will win the test don't always prove true. They determine the winner based on a solid foundation of data, and they are eager and willing to push the winning experience live after the results are in, even if it's not in line with their expectations or seems counterintuitive. If your organization hasn't yet fully embraced testing, it is best to conduct tests early in the program that are simpler and smaller in scope so that changes from test results can be made incrementally. For example, an Adobe healthcare services customer recently demonstrated the value of testing by showing how a hero banner that the team had considered a slam dunk had actually a negative impact on conversion. Not only test concepts, but review how they perform within every key segment—and trust the results.

Tip #6: Determine and target an optimal end conversion sequence.

Testing as close to the page where visitors click Complete Purchase or Submit Application delivers the most impactful results. Visitors who reach the end of the funnel are more qualified, have invested more time, and are ready to purchase, so testing insights about their preferences and actions can help you make profitable changes. Note that because pages on the purchase path are critical to conversion rates, the tests being conducted should be socialized to key stakeholders before rolling them out.



Tip #7: Use dynamic banners to quickly target and personalize content for visitors.

With behavioral data analysis and testing, you can deliver relevant, dynamic experiences to your customers, making even a large site seem personal and intimate. One way to start is by segmenting traffic into new visitors and repeat visitors and offering each segment tailored banner content that is designed to pique interest and encourage engagement. Typically, new visitors respond well to featured top sellers, new arrivals, and time-limited promotional announcements, whereas returning prospects convert at higher rates when presented with targeted content that takes into account past purchases or borrowing history. You can also leverage customer data to expand personalized experiences across web, mobile, and social channels to craft relevant customer experiences that build relationships and brand equity.

For example, an Adobe computer technology customer tested and optimized adaptive landing pages that showed featured products and offers based on a customer's behavioral variables and category affinities, including products viewed and added to the cart. The company also optimized and targeted a "Welcome Back" landing page for customers who had made recent purchases, featuring their purchased products along with suggestions for complementary products and services.

Tip #8: Consider the visitor's device when targeting.

As the world continues to shift toward smartphone and tablet usage, businesses must consider how to best serve the needs of these different experiences. Use data to determine who your most profitable customers are and design experiences that are optimized to them based on the devices that they use most. For example, according to the 2012 Adobe Mobile Survey, smartphone shoppers tend to respond better to money-saving offers than tablet users, but tablet users are three times more likely to make a purchase than smartphone visitors.



Tip #9: Make sure that your test designs are achievable.

After considering all aspects of how to design a test, a plan can get very complex. Based on where your business is with testing and your group's ability to design, code, execute, and analyze the results, be prepared to reduce the scope and complexity of a test if it seems too ambitious. Better to start small than not perform the test at all. If you never launch the test, you cannot deliver impactful lift. Balance the aspirations of the team with the realities of your resources and abilities.

Tip #10: Clearly define the segments that you're targeting.

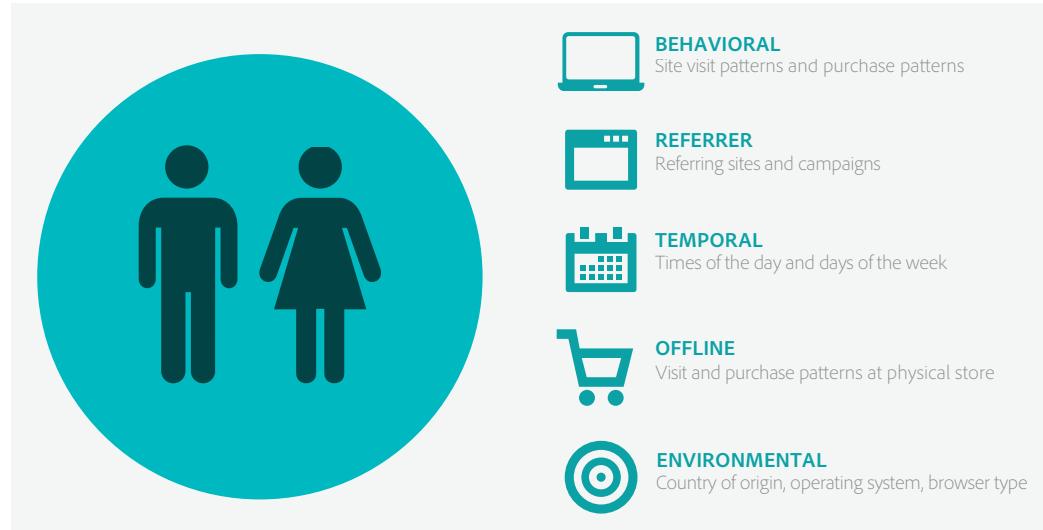
To accurately measure test responses, your audience should be carefully segmented, and you should determine that each segment is worth targeting. To evaluate the viability of your segments, make sure that each segment is:

- **Accessible**—You must be able to target the segment efficiently.
- **Differential**—The segment must respond differently to a different marketing mix.
- **Actionable**—You must have a product for the segment.
- **Measurable**—Size and purchasing power must be measurable.
- **Substantial**—The segment must be large and profitable enough.

Tip #11: Build segments from top-line variables first.

When building segments for targeting, first consider these variables when testing promotions and offers:

- **Behavioral**—Site visit patterns and purchase patterns
- **Referrer**—Referring sites and campaigns
- **Temporal**—Times of day, days of the week, and seasonal factors
- **Offline**—Visit and purchase patterns at physical stores
- **Environment**—Country of origin, operating system, browser type



Tip #12: Follow a systematic process to build your targeting and personalization plan.

Use a planned and methodical approach to develop relevant, high-quality content that's focused on meeting the unique needs of individual visitors. Use these steps as a guideline.



Tip #13: Use multivariate testing for greater targeting insight.

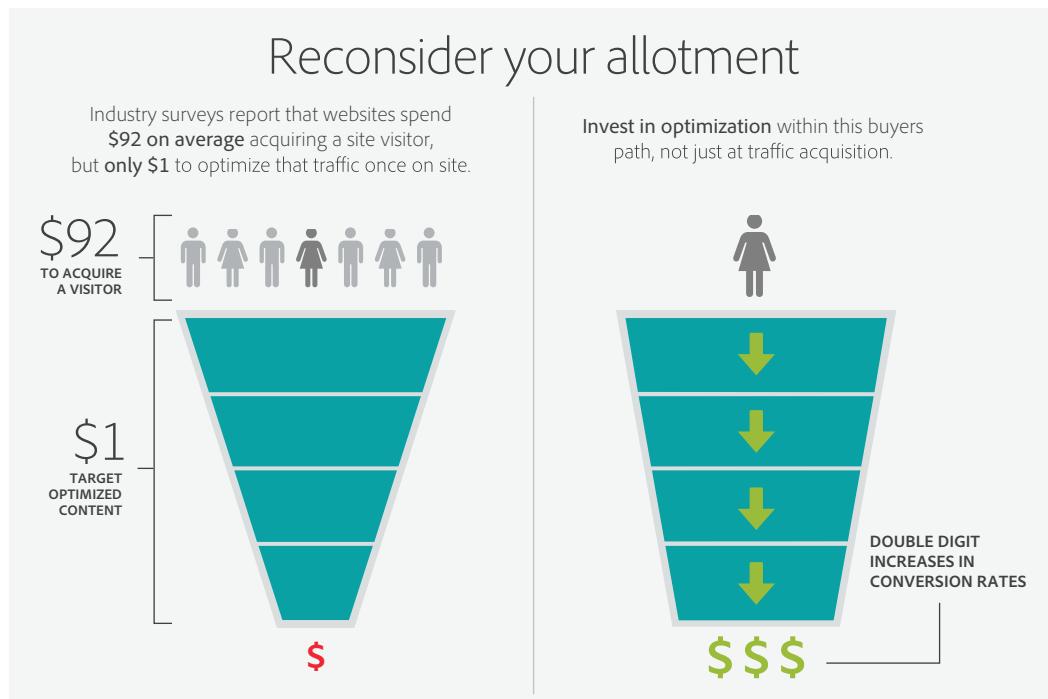
Testing managers can become frustrated when their challenger recipe does not work out because they're at a loss for what to do next and begin to wonder if they should just try a completely new idea. You can significantly increase your chance of finding a winner and learning about your page by testing more than one challenger using a multivariate strategy. You can also use a partial factorial testing strategy, like the Taguchi method, to test a subset of different possibilities within your multivariate test, delivering quicker results with less traffic requirements. By testing more variables, you're more likely to identify the most valuable element or element variation within your content or find the winning recipe of content elements for distinct segments.

Tip #14: Compare tests to improve targeting.

Comparing the conversion performance of different segments within different tests at different locations can help focus and refine a company's optimization strategy. Use test comparisons to identify which audience segments are most valuable to test, which should receive targeted experiences, and what types of experiences are most likely to elicit a response. For example, an Adobe financial institution customer with a credit card promotional campaign that involved professional sporting event incentives was able to efficiently test and identify the optimized balance of messaging between credit card benefits and sporting incentives to target distinct segments of its customer base through partial factorial multivariate testing of its landing pages. This approach allowed the company to capitalize on and maximize conversion during a time-sensitive window surrounding a major event.

Tip #15: Don't under-invest in targeting and optimization.

According to a 2009 Adobe Conversion survey, companies spend \$92 on average to acquire a visitor, but only \$1 to target optimized content for the visitor. Yet industry analysts report that double-digit increases in conversion rates can occur for even minor optimization initiatives.² Make an investment in your targeting and optimization program that extends through the customer's purchase path.



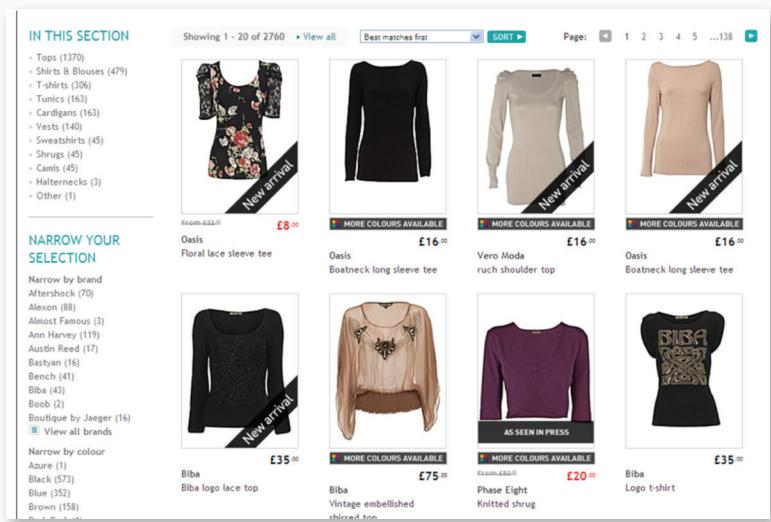
² John Lovett, 2011, *The Online Conversion Imperative*, Adobe Systems

Tip #16: Use targeted discovery to optimize search results.

Targeted discovery is the process of providing more relevant results for your prospects while promoting targeted merchandising for your business. To move toward targeted discovery, build an index or database that is relevant to your market segments, and then deliver content and promotions that are pertinent to each user segment. Segmentation is also a valuable tool to determine which devices customers are using and to optimize content and offers based on specific device form factors.

Tip #17: Improve conversion from search with targeted content.

Prospects engaged in searching your site provide some of your most qualified site traffic. The more targeted and relevant the content is on the search results page, the more likely it is that prospects will convert. For example, consider providing additional contextual information directly on search thumbnails. Using targeted stickerbursts, such as discounts, inventory availability, sizes, or colors, you can help consumers quickly find the information they need to make purchase decisions and take action.

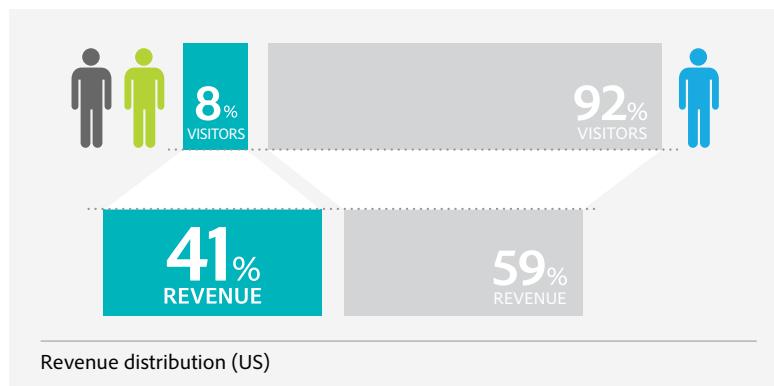


Tip #18: Target first-time visitors and repeat customers differently.

Digital marketers intuitively recognize that existing customers are more valuable than new ones, but they too often fail to prioritize marketing programs that are designed to keep customers coming back. To avoid this common pitfall, analyze your repeat customer metrics to determine how loyal customers behave on your site. Use these insights to create targeted campaigns for visitors with one or two purchases, offering incentives that encourage them to make additional site visits.

Tip #19: Don't ignore small segments in your targeting efforts.

Small segments can deliver big profits. One example of a profitable small segment is returning visitors and customers. Although repeat customers only make up 8% of average site traffic, they can account for over 41% of revenue.³ Other examples of smaller segments that can be valuable are evening tablet users, consumers with close geographic proximity to your physical locations, and consumers coming from social sites and search engines.



³ http://success.adobe.com/assets/en/downloads/whitepaper/13926.digital_index_loyal_shoppers_report.pdf

Tip #20: Don't put tests through your standard QA process.

There is nothing worse for testing than having a test ready to go and then waiting weeks for it to go through a standard QA process. You can get QA done for most tests by simply passing around a few QA links to colleagues to try them on various browsers. You will most likely want to do more QA for efforts that dramatically change site function, but the reality is that you should have fewer of those tests and far more of the more basic tests. Adding better rights control so that fewer people can then push things fully live also adds meaningful limits and lets you accomplish what is needed without sacrificing speed and efficiency. Another option is to have a designated IT resource to provide timely oversight of the QA process.

Tip #21: Let everyone know when you're running a test.

One of the benefits of setting up your campaigns to use QA parameters is that those links can be shared with everyone on your team. Not only do you make more people aware of the campaign, they don't assume that the site isn't functioning properly when they hit a test variant. Communicating campaign launches, test results, and especially lessons learned helps you create a successful infrastructure and build awareness and interest in the test results. And, if you design tests with enough variants, you can get results that help everyone on your team to fundamentally challenge their own ideas of what works.

Tip #22: Never launch a test without a clear idea of how you're going to act on the data.

There is no point in any test if you are not clear on how you are going to act. This includes knowing your single success metric, understanding what needs to happen to push a winner, how you are going to follow up on test results, and what you will do with the segment information. Having every group aware of its role before the test launch is vital to a speedy and successful test.

Mobile targeting tips

Tip #23: Target mobile application usage.

If your company is spending resources on a mobile app for iOS, Android™, or other devices, have a sound strategy in place on how to promote your app. You spent too much money on development resources to sit back and hope users will stumble on your app within the app store. Test different approaches to drive app downloads and usage. If your non-mobile site has a link to download your app, try testing the effectiveness of an interstitial landing page that explicitly promotes your app when visitors arrive on your home page. Set up a redirect test that filters half your mobile traffic to your current site page and the other half to the interstitial mobile-friendly landing page.

Tip #24: Reduce the touch events that lead to conversion.

Understand the business goals and KPIs you are driving toward with your mobile efforts. Design the mobile experience with the path of least resistance to achieving your goals. Conversion should occur within three touch events, and you should aspire to reducing it to two touch events.

Tip #25: Target functionality that is optimized for mobile interactions.

The tablet and smartphone user experience needs to focus on touch-driven controls as the primary visitor interaction, rather than mouse clicks and keyboard controls. Take advantage of mobile display controls, including finger swipe, touch, drag, pinch, and zoom. Use simple, large buttons to designate interactions and navigation, such as a large shopping cart or video play button. If designing for mobile retail, incorporate rich product visualization that is optimized for the device type. Always look for opportunities to shift the user experience focus to embedded, large viewers or full-screen interactive zoom and pan, 360-degree spin, and enhanced video functionality.



Tip #26: Make content findability easy.

Mobile users have high intent. The majority of them use search before they do anything else on m-commerce sites, making mobile site search optimization crucial. To improve your mobile search engine optimization (SEO), use explicit navigational cues for easy browsing. Also, implement autosuggest and autocorrect in search input boxes to address the difficulty of mobile typing. Provide compelling, relevant search results optimized for screen size and location.

Tip #27: Target content based on location.

Keep your content locally relevant to your business and core audience. Mobile visitors are often on the go, walking down the street, on the train, or in meetings, so it's critical that you have that local presence wherever people happen to be. Leverage GPS lookup to personalize experiences, including regionally specific offers and store locator functionality. Redbox, for example, weaves GPS capabilities into the mobile search function to help ensure that customers can readily locate rental kiosks.

Tip #28: Target across devices and platforms.

Buyer behavior varies across different devices and operating systems. It also differs based on the nature of your business, such as B2B versus B2C. Additionally, cost per click and revenue per click can vary quite a bit, so segmentation is key. It's important to differentiate your market segments based not only on demographics, but also on device and platform usage, so you can manage budgets and bids more appropriately. For instance, research shows that people spend more time on smartphones but make more purchases on tablets. Therefore, you could consider a purchase-driven test on tablets; for smartphones, you could try a test that drives people to physical stores.

Tip #29: Leverage time-of-day targeting in SEM campaigns for mobile.

Understand how and when to reach your audience and how to better manage your daily advertising spend by "day parting" your mobile campaigns into different segments throughout the day. The mistake many marketers make is not allocating enough budget to capture that share of voice in the hours when the use of particular devices is heaviest, thus leaving a lot of revenue and leads on the table. For instance, tablet usage typically spikes in the evening hours, and many users browse while watch television. In contrast, smartphone users typically access content on the go. Peak conversion times also vary by industry, so it's important to understand when your unique customers are most likely to act.

Social targeting tips

Tip #30: For holiday periods, run targeted, engaging content early.

Brand visibility during the holidays can be difficult to sustain. Consumers are looking for convenience and deals while being blitzed by multiple ad campaigns. Leveraging social media marketing early and often can help you rise above the noise and secure a spot in customers' consideration sets. Fun, engaging holiday content and gift-giving tips give your brand visibility and mindshare, while promotional content like catalog apps and social-media-only deals push you ahead during the decision-making process. As your content gets spread by fans and followers, you will likely see more dollars at the register, given that 71% of consumers are more likely to buy a product if someone recommended it to them on social media.⁴ And remember to append tracking codes to all your links, apps, and conversion pages to demonstrate the impact of your social marketing efforts.

Tip #31: Base social marketing programs on data and test results, not trends and fads.

The digital marketing world is full of social marketing gurus, ninjas, and rock stars—don't let them tell you what to do! Instead, look to become a "social mechanic." Fine-tune every detail of your social marketing programs to optimize performance and build incremental value. Adjust your social marketing strategy to make it as unique as your brand. And don't just hope for a viral miracle: Let data and insights drive your content and engagement decisions.

Tip #32: Consider the impact that social campaigns and targeting have across all channels.

Social media is important and, in many ways, it's transformational. But it's just one part of a much larger customer experience. As you build strategy around your social media campaigns, consider how you are supporting your efforts in social with the proper components outside the walls of the social networks, with the end goal that you want to achieve with your campaign in mind. For instance, you can use traditional advertising channels to drive visibility and awareness of the campaign, and you can closely align it with your website and in-store experiences where customers are most likely to take action. A comprehensive, cross-channel strategy ensures that your social campaign leverages the transformational power of this new medium as well as achieves the impact you want to create.

Conclusion

Which tips will you implement in 2013? The answer depends entirely on your business and audience needs. While many of our top-32 targeting and customer experience tips are universal, some may be more applicable to your business than others. It's up to you to decide which ones have the greatest potential to impact engagement, conversion, and bottom-line business success.

Whatever ideas you decide to try out this year, remember that Adobe is here to help. With comprehensive services like Adobe[®] Marketing Cloud, you can get a complete set of analytics, social, advertising, targeting, and web experience management solutions, so it's easier than ever to implement best practices in targeting and customer experience. Our professional services team can discuss how these advanced marketing solutions can be used to meet your unique business requirements and help you implement targeting and customer experience best practices.

For specific targeting and customer experience recommendations related to your business needs, contact the Adobe professional services team at 800-309-9301.

⁴ <http://adage.com/article/adagestat/tablet-search-usage-highest-night-google-data-shows/230054/>

About Adobe Marketing Cloud

Adobe Marketing Cloud is a hosted service for digital marketers, advertisers and publishers. It includes a complete set of analytics, social, advertising, targeting and web experience management solutions and a real-time dashboard that brings together everything you need to know about your marketing campaigns. So you can get from data to insights to action, faster and smarter than ever.

Adobe Target

Adobe Target empowers marketers to optimize critical digital interactions throughout their customers' journey, increasing relevance and efficiency. Additionally, they can optimize against key performance indicators (KPIs) relative to engagement, conversion, and loyalty.

Adobe Target combines rules-based and automated behavioral targeting to take advantage of the data that marketers already possess and routinely collect. This includes the most basic information—i.e. IP address, time of day, or referral source—to deeper insights such as category or brand affinity. When integrated with real-time analytics metrics, businesses can enhance the relevance and efficiency of visitors' experiences, whether they are new to their site or seasoned customers.

Leveraging Adobe's powerful targeting technology to build robust, anonymous visitor profiles, marketers can provide unique experiences for key segments and individual visitors throughout the digital journey. Adobe Target goes much deeper than conventional personalization approaches to touch every aspect of the customer journey, from delivering personalized product or content recommendations, to targeted site search results, to dynamically assembling on-site marketing offers with just the right combination of visual assets for the profiled consumer.

About Adobe

Whether it's a smartphone or tablet app, a game, a video, a digital magazine, a website, or an online experience, chances are that it was touched by Adobe technology. Adobe's tools and services enable its customers to create groundbreaking digital content, deploy it across media and devices, and then continually measure and optimize it based on user data. By providing complete solutions that combine digital media creation with data-driven marketing, Adobe helps businesses improve their communications, strengthen their brands, and ultimately achieve greater business success. Adobe's content authoring solutions lead the industry, enabling its visitors to more effectively produce, distribute, and monetize digital content. Adobe also delivers the most innovative solutions for optimizing marketing campaigns and maximizing return on every marketing dollar.

